



RECYCLING COMPANY SAVES CONTAMINATED SITE FROM THE SCRAP YARD

CHICAGO, January 15, 1998

When Phil Zeid wanted to expand Universal Scrap Metal, he found a site just four blocks away. It provided additional space and was near major highways and railways.

The site was occupied by a marble and granite manufacturing company that was going out of business. Zeid conducted an environmental assessment of the area and found one problem: the soil on the site at 2500 W. Fulton was contaminated.

Dilemmas similar to Zeid's, have become increasingly common throughout Chicago and surrounding communities. Sites that were once productive industrial sites -- called brownfields -- now sit vacant because of contamination or perceived contamination. Zeid was able to prevent a brownfield by rescuing the site before it became abandoned.

Zeid's solution also is becoming more common as government and the private sector increasingly collaborate to initiate programs to make the clean-up of these sites easier and less expensive.

On Friday, January 19, Zeid will join bankers, civic and political leaders, community developers and environmentalists in the "The Greening of Brownfields: Lots of Opportunity" forum sponsored by First Chicago and the Industrial Council of Northwest Chicago. Mayor Daley will be giving the keynote speech and will address redevelopment opportunities for brownfield sites at 11:00 a.m. at Homan Square, 3333 W. Arthington.

Recognizing an opportunity, Zeid was determined this was the best site for his 60 employee scrap metal and recycling factory and contacted the City in November of 1995. Seven months later, the City gave Zeid a bridge loan to clean up and redevelop the site if Zeid would repay the loan in two years.

On January 1, 1997, Universal Scrap Metal moved to the new site in a Chicago empowerment zone and the Kinzie Industrial Corridor. The cost for investigating and cleaning up the mild soil contamination reached nearly \$200,000.

"The cooperation between the city, state and my bank made the deal possible, but it wouldn't have happened without all of us working together," said Zeid. "With my loan, I was able to renovate a contaminated site and keep it on the tax rolls as an environmentally safe and valuable piece of land."

Zeid also participated, with direction from the City, in a state voluntary clean-up program by which he submitted a remediation plan to the Illinois Environmental Protection Agency. Upon completion of the clean up, the IEPA determined the site no longer presented a threat to human life or the environment. It then issued a No Further Remediation Letter as evidence the site does not require further clean up as long as it is utilized in accordance to the environmental management plan approved by the IEPA.

Banks involvement in the redevelopment and prevention of brownfields is instrumental in acquiring the necessary financing. First Chicago is one of many banks that recognized this and over the past two years has helped finance more than 10 brownfield redevelopments.

"We want to help our customers recycle brownfield sites and make them productive."